Ontario

Part I: Results-based Plan 2012-13

Ministry of Agriculture, Food and Rural Affairs

ISSN #1718-6056

Ce document est disponible en français

MINISTRY OVERVIEW

Ministry Vision and Mission Statement

The Ontario Ministry of Agriculture, Food and Rural Affairs is committed to achieving a vision of successful and sustainable agri-food and agri-product businesses.

To succeed, the sector needs to continuously evolve and innovate to maintain its competitive edge.

The ministry's vision supports the Ontario government's agenda of meeting its fiscal targets, strengthening the economy, increasing investment and jobs and supporting health care and education.

2012-13 Ministry Priorities and Strategies

The ministry's three strategic goals are:

1. Increasing the competitiveness and productivity of Ontario's agri-food and agri-product businesses
2. Increasing the consumption of local food in Ontario
3. Bringing an Open-for-Business approach to legislative and regulatory reform while ensuring the public interest in health and the environment

In 2012-2013, the ministry will focus on increasing the consumption of local foods, expanding export opportunities for Ontario's agri-food sector, reshaping the province's risk management programs, investing in industry-driven and focused research and innovation and working with other ministries to strengthen the government's role in rural Ontario.

To deliver the vision and these strategic goals, OMAFRA will transform itself to operate as a modern, responsive and high performance organization focused on delivering results.

Ministry Contribution to Priority Areas and Results
Government Priority Areas
Jobs and Prosperity
Northern Plan and Infrastructure Investments
Conservation and Renewables Green OPS
Green Economy Clean Water Technology
Health Care
Open for Business Accountability
Government Results
-Support innovation
-Attract, retain & create good, high-paying jobs
-Grow the Green Economy
-Invest in infrastructure
-Build stronger communities
-Reduce greenhouse gas emissions
-Conservation
-Combat climate change
-Protect water & natural areas
-Reduce toxins
-Prevent illness, promote wellness
-Modern, efficient public services
-Maintain strong fiscal management
Ministry Strategic Priorities
1. Increased competitiveness and productivity of Ontario's agri-food and agri-products businesses
2. Increased consumption of local food in Ontario
3. Open for Business Approach for legislative and regulatory reform in tandem with ensuring public interest in health and environment
Enablers
RETHINKING BUSINESS RISK MANAGEMENT
TRANSFORMING RURAL MANDATE
INDUSTRY-DRIVEN AND FOCUSSED RESEARCH AND INNOVATION
MODERN, RESPONSIVE, HIGH PERFORMANCE ORGANIZATION
Ministry Strategies (=votes)
Policy Development
Ministry Administration
Better Public Health and Environment
Strong Agricultural, Food and Bio-product Sectors and Strong Rural Communities
Ministry Activities (=items)
Economic Development
Research
Business Risk Management Transfers
Agricultural and Rural Capital

Ministry Activities 2012-13

Increasing the Competitiveness and Productivity of Ontario's Agri-food and Agri-product Businesses

The Ontario agri-food and agri-product industry contributes to the economic, social and physical health of communities, the province and its people. In 2010, the agri-food industry contributed over $34 billion to the provincial economy, and employed more than 700,000 people.

The sector is working smarter, more efficiently and more environmentally responsibly than ever before and producing safe food, for which it has gained an international reputation. Ontario's agricultural commodities are the foundation for cleaner, greener bio-products and fuels.

In 2012-2013, the ministry will work to further increase the competitiveness and productivity of our agri-food and agri-product businesses. This includes supporting the sector to capitalize on emerging opportunities – in domestic and international markets as well as in new, value-added products and leading-edge technologies.

At the same time, we will focus attention on encouraging richer and more productive relationships among Ontario's producers and retailers, contributing to the further development of value chains.

A thriving agricultural sector is measured, in part, by the success and competitiveness of farmers and farm businesses. To achieve success, the ministry will work with stakeholders and the federal government to transform the way the ministry supports farmers through its business risk management programs.

The ministry also wants to leverage federal contributions and support Ontario's approach to Growing Forward 2 negotiations with the federal government.

Finally, the ministry knows that when rural families, businesses and communities prosper, Ontario's economy grows stronger and all Ontarians benefit. That's why the ministry will work with ministries across government to continue to support and strengthen rural Ontario.

Increasing the Consumption of Local Food in Ontario

In 2012-2013, the ministry plans to build on the success of the Foodland Ontario brand to increase both domestic and international markets for Ontario food.

Work is underway to further promote the consumption of Ontario produced and processed foods, including working with our retailers, the food service sector, operators, food media, the public, and a broad range of stakeholder groups to increase the availability of Ontario food in farmers markets, on-farm markets and the broader public sector.

Greater emphasis will be made on realizing emerging opportunities such as food for health and meeting the needs of Ontario's diverse population.

Bringing an Open-for-Business Approach to Legislative and Regulatory Reform

The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) will work with other ministries, other levels of government and stakeholders to achieve an appropriate Open-for-Business legislative and regulatory framework that promotes economic activity, safe food, animal health and a clean environment.

This includes working with stakeholders and ministries to develop a modern dairy food safety framework that meets Open-for-Business principles.

In 2012-2013 the ministry will continue to meet its commitments under the Climate Change Action Plan and Climate Ready: Ontario's Adaptation Strategy and Action Plan. The ministry will also collaborate with Ontario Power Generation (OPG) and the Ministry of Energy to continue to examine the potential for agriculture-based biomass.

In partnership with other ministries, the ministry will support and develop initiatives under the government's Water Strategy, including efforts to conserve and protect the Great Lakes and Lake Simcoe.

To support our vision and strategic goals, the ministry will work to ensure that OMAFRA is a modern, responsive, high-performance organization focused on delivering results. The ministry will review its program delivery models with a view to further improve service.

Highlights of 2011-12 Achievements

Farm Income Stabilization – Risk Management Program

Since 2003, the ministry has provided more than $2 billion in farm income and stabilization programming.

In 2011 the ministry worked with producer groups to develop and launch Risk Management Programs for the hog, cattle, veal and sheep sectors, in addition to extending existing programs for grains and oilseeds.

At the same time, the ministry launched a self-directed Risk Management program for producers of edible horticulture.

Local Food

The ministry has invested almost $100 million in programming to support Ontario foods since 2003-2004.

In 2011, consumer awareness of the Foodland Ontario symbol was at 94 per cent, while 82 percent of Ontario's principal grocery shoppers intend to purchase fresh Ontario food.

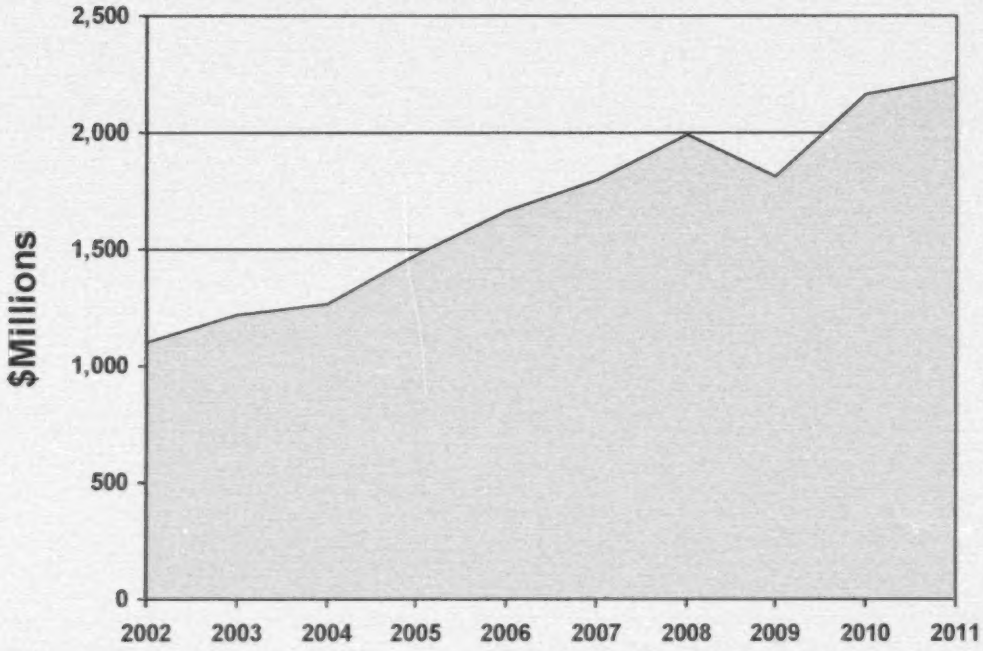
Food Processing

OMAFRA's programs and services led to $490 million in investments by industry into the food processing sector in 2011-2012, creating or retaining more than 7,300 jobs.

Exports

In 2011, total agri-food exports were $9.9 billion. This is a 5.4 percent increase over 2010.

2011 Ontario Food, Beverage and Agricultural Exports to Non-USA Markets (top 20 Destinations)
(in Millions $Cdn)



Since 2002, Ontario has more than doubled its food, beverage and agricultural exports to non-USA markets.

Premier's Award for Agri-Food Innovation Excellence

For the fifth year, agricultural innovations from across Ontario were celebrated under the annual Premier's Award for Agri-Food Innovation Excellence. This program recognizes innovators who contribute to the success of the agri-food sector.

Broadband

The ministry continued its commitment to delivering high-speed Internet service to rural areas through its Rural Connections Broadband Program, Building Broadband in Rural and Northern Ontario Program, and Eastern Ontario Wardens' Caucus regional broadband project

Food Safety and Traceability

In 2011, through the Traceability Foundations Initiative, the governments of Canada and Ontario committed to support industry-led projects to share information, enhance industry

competitiveness and improve the speed at which Ontario responds in the event of a food product recall.

This new program will help make our industry stronger, protect consumers and promote market access for our farmers and processors.

The ministry will continue to engage stakeholders to increase the profile of traceability and continue to work with our federal, provincial and territorial partners to support a national traceability system for livestock and poultry.

OMAFRA is committed to building a robust provincial agri-food premises registry. In 2011, the ministry moved forward on this commitment by completing a competitive procurement process to secure a long-term service provider.

Rural Economic Development (RED) Program Investments

The Rural Economic Development (RED) program supports rural communities to remove barriers to economic development and growth through efforts in revitalizing communities, support for food processing and increasing opportunities for skills development. In 2011-2012, the program committed to 45 projects to help stimulate economic and community development in Ontario's rural communities. This represents a program investment of $14.9 million, generating $101 million in economic activity, and creating or retaining nearly 3,500 jobs.

Wine and Grape Strategy

In 2011, Ontario launched the brand new Ontario Vineyard Improvement Program, which committed $12 million over four years to help support Ontario grape growers with projects that will help grow and build long-term success for their vineyards.

The program is part of Ontario's strategy to help strengthen the province's grape and wine industry by focusing support on VQA wine, improving clarity for consumers and support the industry's long-term viability.

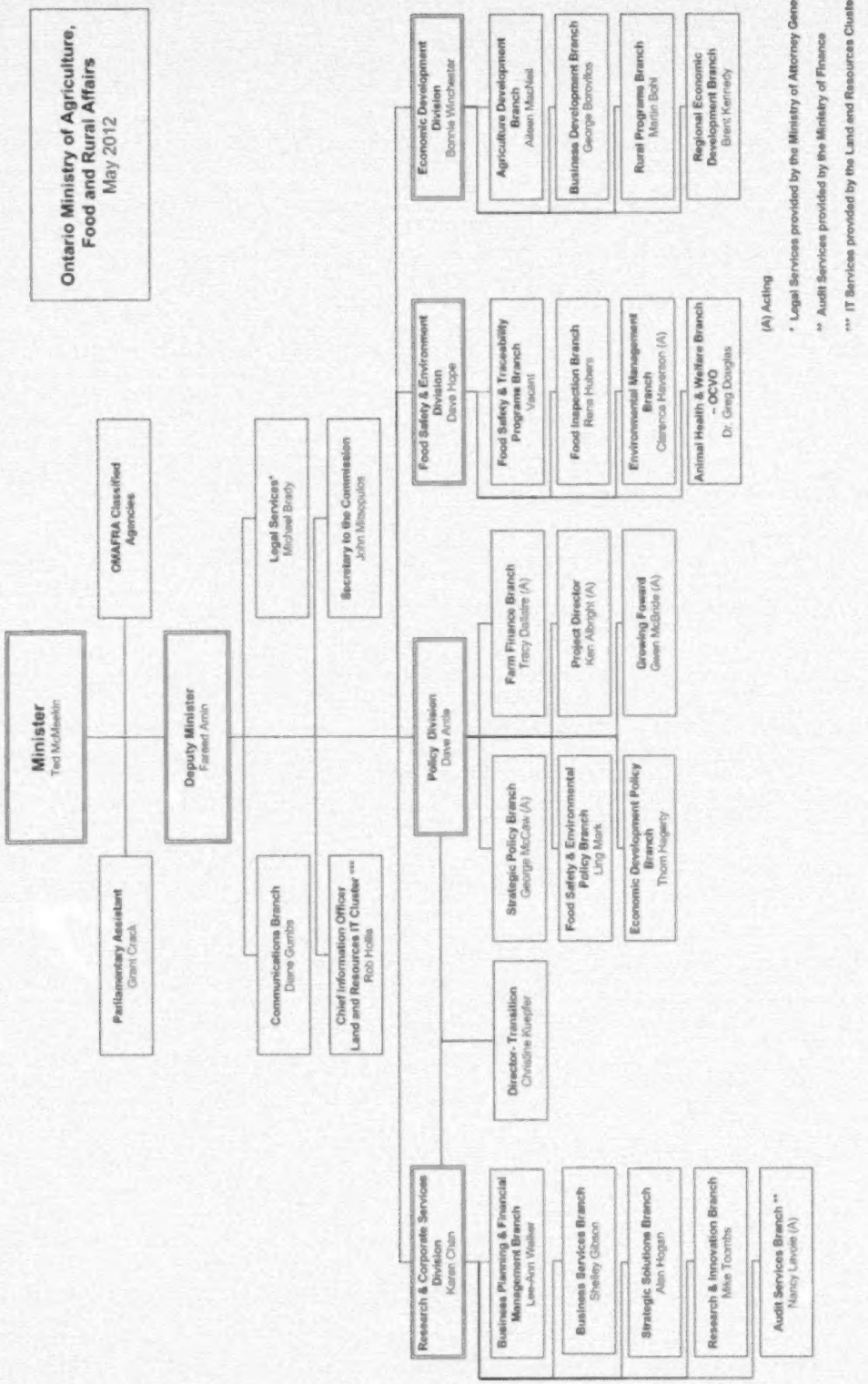
Growing Forward

Growing Forward is a five-year commitment by Canada's federal, provincial and territorial governments to support the development of a profitable, innovative agri-food sector able to manage risk and effectively and efficiently respond to market demands.

In 2011-12, over $37.5 million was invested to provide farmers and food processors with access to improved planning and best practices related to environment and climate change, food safety and traceability, biosecurity and business development. Programs were also targeted toward increasing the agri-food sector's awareness of innovation opportunities, applied research and commercialization.

Growing Forward expires on March 31, 2013. Initiatives for Growing Forward 2 in Ontario are under development. Federal-Provincial-Territorial negotiations on the Growing Forward 2 framework will commence in late April, 2012.

Ministry Organization Chart



Legislation

The following is a complete list for which the Ontario Ministry of Agriculture, Food and Rural Affairs is responsible:

- AgriCorp Act, 1996, S.O. 1996, c. 17, Sched. A
- Agricultural and Horticultural Organizations Act, R.S.O. 1990, c. A.9
- Agricultural Employees Protection Act, 2002, S.O. 2002, c. 16
- Agricultural Research Institute of Ontario Act, R.S.O. 1990, c. A.13
- Agricultural Tile Drainage Installation Act, R.S.O. 1990, c. A.14
- Animal Health Act, 2009, S.O. 2009, c. 31
- Animals for Research Act, R.S.O. 1990, c. A.22
- Beef Cattle Marketing Act, R.S.O. 1990, c. B.5
- Bees Act, R.S.O. 1990, c. B.6
- Commodity Board Members Act, R.S.O. 1990, c. C.18
- Commodity Boards and Marketing Agencies Act, R.S.O. 1990, c. C.19
- Crop Insurance Act (Ontario), 1996, S.O. 1996, c. 17, Sched. C
- Drainage Act, R.S.O. 1990, c. D.17
- Farm Implements Act, R.S.O. 1990, c. F.4
- Farm Products Containers Act, R.S.O. 1990, c. F.7
- Farm Products Grades and Sales Act, R.S.O. 1990, c. F.8
- Farm Products Marketing Act, R.S.O. 1990, c. F.9
- Farm Products Payments Act, R.S.O. 1990, c. F.10
- Farm Registration and Farm Organizations Funding Act, 1993, S.O. 1993, c. 21
- Farming and Food Production Protection Act, 1998, S.O. 1998, c.1
- Food Safety and Quality Act, 2001, S.O. 2001, c. 20
- Grains Act, R.S.O. 1990, c. G.10
- Livestock and Livestock Products Act, R.S.O. 1990, c. L.20
- Livestock Community Sales Act, R.S.O. 1990, c. L.22
- Livestock Identification Act, R.S.O. 1990, c. L.21
- Livestock Medicines Act, R.S.O. 1990, c. L.23
- Milk Act, R.S.O. 1990, c. M.12
- Ministry of Agriculture, Food and Rural Affairs Act, R.S.O. 1990, c. M.16
- Ministry of Energy Act, R.S.O. 1990, c. M.23, sections 8 and 9 insofar as the powers and duties set out in those sections are required to develop and administer the Ontario Ethanol Growth Fund program.
- Nutrient Management Act, 2002, S.O. 2002, c. 4. Under this legislation, OMAFRA approves on-farm nutrient management plans and strategies while the Ministry of the Environment leads inspection and enforcement activities.
- Ontario Agriculture Week Act, 1998, S.O. 1998, c. 10
- Ontario Food Terminal Act, R.S.O. 1990, c. O.15
- Plant Diseases Act, R.S.O. 1990, c. P.14
- Pounds Act, R.S.O. 1990, c. P.17
- Protection of Livestock and Poultry from Dogs, R.S.O. 1990, c. L.24 (formerly Livestock, Poultry and HoneyBee Protection Act, R.S.O. 1990, c. L.24)
- Tile Drainage Act, R.S.O. 1990, c. T.8
- Veterinarians Act, R.S.O. 1990, c. V.3
- Weed Control Act, R.S.O. 1990, c. W.5

Agencies, Boards and Commissions (ABCs)

To better serve the agri-food industry, the Ministry of Agriculture, Food and Rural Affairs relies on 12 agencies, boards and commissions. Some, such as the Agriculture, Food and Rural Affairs Appeal Tribunal, have an adjudicative role. Agricorp, an operational enterprise, for example, administers production insurance programs to provide farmers with protection against natural hazards and delivers income stabilization payments. The Ontario Farm Products Marketing Commission as a regulatory agency, supervises the province's 20 marketing boards and four representative commodity associations. Other agencies are classified as operational service, trust, or advisory agencies.

The following is a complete list of agencies, boards and commissions as classified under the Agency Establishment and Accountability Directive for which the Ministry of Agriculture, Food and Rural Affairs is responsible. Only those entities with assets, liabilities, revenues or expenses greater than $50 million, or an annual surplus or deficit or outside revenue source of greater than $10 million, are consolidated in the ministry's results-based plan.

Agricorp (Operational Enterprise)

Agricorp is an Ontario government agency created in 1997 with the mandate of delivering crop insurance and other agricultural business risk management (BRM) programs. The two key programs currently delivered by Agricorp are: AgriStability, to protect producers against declines in margin; and Production Insurance, to protect crop producers from losses caused by adverse weather and other natural perils. Agricorp also delivers the Risk Management Program, the Farm Business Registration (FBR) program and the Grain Financial Protection Program (GFPP) on behalf of the province.

$Millions	Plan 2012-13	Interim Actuals 2011-12
Revenue	249.65	153.06
Expenses	264.20	127.48

Agriculture, Food and Rural Affairs Appeal Tribunal (Adjudicative Agency)

The role of the Agriculture, Food and Rural Affairs Appeal Tribunal is to provide an independent, accessible avenue of appeal on a variety of agricultural issues and have them heard by an impartial and knowledgeable Tribunal. The Tribunal hears applications and appeals made under approximately 18 statutes including the *Drainage Act*, the *Ministry of Agriculture, Food and Rural Affairs Act* (for appeals of decisions made under the *Milk Act*, and the *Farm Products Marketing Act*), the *Crop Insurance Act*, the *Assessment Act*, the *Farm Implements Act*, and the *Food Safety and Quality Act*. Most Tribunal members also serve on the Board of Negotiation (BON) established under the *Environmental Protection Act*.

- Board of Negotiation (Adjudicative Agency)
  Established under the authority of the *Environmental Protection Act*, the role of the Board of Negotiation (BON) is to negotiate a settlement of a claim where a contaminant is causing or has caused injury or damage to livestock or to crops, trees or other vegetation. Where a claimant has requested an investigation by the Minister of the Environment and a report is filed, and where the claimant and the person responsible for the injury or damage are not able to reach a settlement of the claim, either party may refer the matter to the BON for settlement. Settlements negotiated by the BON are non-binding. (Consolidated into the Agriculture, Food and Rural Affairs Appeal Tribunal as of December 1999).

Agricultural Research Institute of Ontario (ARIO) (Operational Service)

The primary role of ARIO is to provide strategic advice to the minister regarding research priorities and resource allocation in order to deliver high quality agriculture, food and rural research. This advice is an integral component of the ministry's research priority-setting and decision-making processes in allocating research funding. In addition, in 2007, ownership and management of the province's agri-food research infrastructure (14 provincial research stations and three agricultural colleges), critical to the future success of Ontario's agri-food and rural sectors and a key component of overall provincial economic growth, was transferred from the government to ARIO. ARIO has recently completed an extensive review of the existing agri-food research infrastructure portfolio and Ontario's future agri-food research platform needs. This review forms the basis of ARIO's Infrastructure Re-investment Strategy recommendations to the Minister.

$Millions	Plan 2012-13	Interim Actuals 2011-12
Revenue	1.95	1.85
Expenses	(12.68)	(1.81)

Boards Under the Farm Products Payments Act

Under the Farm Products Payments Act, funds and boards are established to: protect producers from non-payment by dealers; investigate claims; grant or refuse payment of claims; and determine the amounts and manner of payment. Boards administering funds under the Farm Products Payment Act are the Grain Financial Protection Board and Livestock Financial Protection Board. Both boards under this Act are "trust agencies."

- Grain Financial Protection Board (Trust Agency).
  This board collects fees and administers The Fund for Grain Corn Producers, The Fund for Soybean Producers, and The Fund for Canola Producers and the Fund for Wheat Producers. It approves claims made under the Grain Financial

Protection Program, to protect producers of grain corn, canola, soybeans and wheat in the event of default on payment by a licensed buyer.

- Livestock Financial Protection Board (Trust Agency).
  This board collects fees, administers The Fund for Livestock Producers and reviews claims made against it under the Ontario Beef Cattle Financial Protection Program, to protect producers and other sellers of beef cattle in the event of default on payment by a licensed buyer.

Livestock Medicines Advisory Committee (Advisory Agency)

This committee reviews all legislation and regulations pertaining to livestock medicines; inquires into and reports to the Minister on any matter referred to the committee by the Minister; advises the Minister on matters relating to the control and regulation of livestock medicines; evaluates and recommends procedures relating to the sale of livestock medicines and proper standards for maintenance, handling and storage of livestock medicines; and makes recommendations with respect to the description of drugs, or classes of drugs, as livestock medicines and the designation of livestock medicines for sale under a licence or any class of licence.

Normal Farm Practices Protection Board (Adjudicative Agency)

The Normal Farm Practices Protection Board hears appeals which arise under the Farming and Food Production Protection Act, 1998. The Act protects 'normal farm practices' from nuisance complaints and municipal bylaws.

Ontario AgriStability Review Committee (Advisory Agency)

The AgriStability program, delivered by Agricorp, was established to provide producers with effective tools to manage business risks. A program participant may submit a review request in the case of disagreement with how AgriStability program rules were applied to the participant's application. The Ontario AgriStability Review Committee is responsible for hearing review requests of Agricorp decisions in relation to program applications and making non-binding recommendations to Agricorp.

Ontario Farm Products Marketing Commission (Regulatory Agency)

The Commission supervises Ontario's 20 marketing boards and four representative commodity associations created under the Farm Products Marketing Act and the Milk Act; develops, recommends and implements policy with respect to regulated marketing in Ontario in consultation with the Minister; provides education programs to Ontario's marketing boards and industry stakeholders to increase the effectiveness and efficiency of the regulated marketing system; and provides leadership to marketing boards and representative associations. The Commission is also responsible for the enactment of milk and milk product quality regulations under the Milk Act which are then enforced by the director named under the Milk Act.

Ontario Food Terminal Board (Operational Enterprise)

The Ontario Food Terminal is the largest wholesale fruit and produce distribution center in Canada. It was established in 1954 to provide a convenient, efficient and low cost receiving and shipping facility for wholesalers of fruit and produce, and now serves all of Eastern Canada and some of the Northern States.

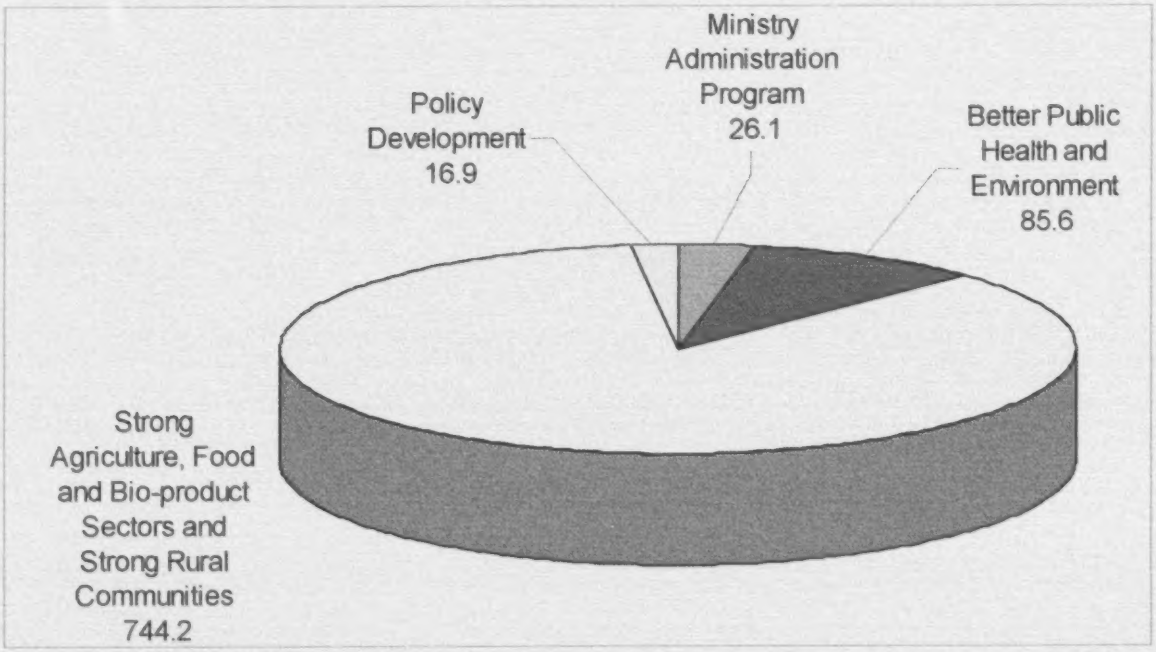
All operational aspects of the Ontario Food Terminal are overseen by the Ontario Food Terminal Board. The Board, consisting of seven members, acts like a landlord for the Terminal. Its mandate is to acquire, construct, equip and operate a wholesale fruit and produce market. The Ontario Food Terminal consists of warehouse tenants and farmer's market tenants. Warehouse tenants market imported and domestic grown fruits and vegetables, whereas farmer's market tenants provide only Ontario and Canadian grown.

Rural Economic Development Advisory Panel (Advisory Agency)

The Rural Economic Development Advisory Panel (REDAP) is a volunteer panel appointed by the Minister of Agriculture, Food and Rural Affairs who have expertise in rural economic development. The REDAP meets on an "as needed" basis but at least quarterly. Panel members review project applications for various rural economic development programs and make recommendations for funding to the Minister of Agriculture, Food and Rural Affairs.

MINISTRY FINANCIAL INFORMATION

Ministry Allocation of 2012-13 Base Spending ($Millions)*


Ministry Administration Program 26.1
Policy Development 16.9
Better Public Health and Environment 85.6
Strong Agriculture, Food and Bio-product Sectors and Strong Rural Communities 744.2

Ministry Planned Expenditures 2012-13 ($M)*

Operating	**674.1**
Capital	**198.7**
TOTAL	**872.8**

* Reflects ministry expense to be voted.

MINISTRY OF AGRICULTURE, FOOD AND RURAL AFFAIRS
Operating and Capital Summary by Vote

The Ministry of Agriculture, Food and Rural Affairs (OMAFRA) is advancing its strategic, long-term vision of "Successful and sustainable agri-food and agri-product businesses". To realize this vision, OMAFRA is focusing on the following goals: increasing the competitiveness and productivity of Ontario's agri-food and agri-product businesses; increasing the consumption of local food in Ontario; and bringing an Open for Business approach to legislative and regulatory reform, while focusing on the public interest in health and the environment.

Votes/Programs	Estimates 2012-13 $	Change from Estimates 2011-12 $	Change from Estimates 2011-12 %	Estimates 2011-12 * $	Interim Actuals 2011-12 * $	Actuals 2010-11 * $
OPERATING AND CAPITAL EXPENSE						
Vote 1: Ministry Administration Program	26,118,000	(288,500)	(1.1)	26,406,500	25,981,100	24,181,403
Vote 7: Better Public Health and Environment	85,612,700	(8,424,600)	(9.0)	94,037,300	88,261,700	77,340,796
Vote 8: Strong Agriculture, Food and Bio-product Sectors and Strong Rural Communities	744,177,800	(377,919,400)	(33.7)	1,122,097,200	1,036,867,200	2,167,210,851
Vote 9: Policy Development	16,898,800	528,700	3.2	16,370,100	16,261,000	13,888,634
Less: Special Warrants	-	-		-	-	-
Total Operating and Capital Expense to be Voted	**872,807,300**	**(386,103,800)**	**(30.7)**	**1,258,911,100**	**1,167,371,000**	**2,282,621,684**
Special Warrants	-	-		-	-	-
Statutory Appropriations	563,014	163,700	41.0	399,314	1,591,300	6,217,066
Ministry Total Operating & Capital Expense	873,370,314	(385,940,100)	(30.6)	1,259,310,414	1,168,962,300	2,288,838,750
Consolidation & Other Adjustments – Agricorp	264,195,000	(8,282,000)	(3.0)	272,477,000	127,480,000	100,212,417
Consolidation & Other Adjustments – Agricultural Research Institute of Ontario (ARIO)	(12,679,300)	(9,823,700)	(344.0)	(2,855,600)	(1,815,500)	3,597,520
Total Including Consolidation & Other Adjustments	**1,124,886,014**	**(404,045,800)**	**(26.4)**	**1,528,931,814**	**1,294,626,800**	**2,392,648,687**
OPERATING AND CAPITAL ASSETS						
Vote 1: Ministry Administration	1,597,900	1,296,900	430.9	301,000	N/A	1,048,116
Vote 7: Better Public Health and Environment	500,000	-	-	500,000	N/A	61,600
Vote 8: Strong Agriculture, Food and Bio-product Sectors and Strong Rural Communities	5,299,000	(1,000)	(0.0)	5,300,000	N/A	163,128
Less: Special Warrants	-	-		-	-	-
Total Operating and Capital Assets to be Voted	**7,396,900**	**1,295,900**	**21.2**	**6,101,000**	**N/A**	**1,272,844**
Special Warrants	-	-		-	-	-
Statutory Appropriations	11,801,000	1,000	0.0	11,800,000	N/A	5,547,200
Total Assets	**19,197,900**	**1,296,900**	**7.2**	**17,901,000**	**N/A**	**6,820,044**

* Estimates for the previous fiscal year are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2012 Ontario Budget.

APPENDIX I

ANNUAL REPORT 2011-12

Ministry Activities and Results 2011-2012

In 2011-2012, the ministry's key activities fell under the three priorities of:

- Thriving Agriculture and Food Sectors
- Strong Rural Communities
- Safe Food, Healthy Animals, Healthy Environment

Thriving Agriculture and Food Sectors

- Local Food

Since 2003-2004, the Ministry of Agriculture, Food and Rural Affairs has invested almost $100 million in programming to support Ontario foods. These efforts are paying off, with half of shoppers surveyed reporting that they are now buying more fresh Ontario foods.

Under the Ontario Market Investment Fund (OMIF), the ministry partnered with agri-food industry groups and local food networks to help jump start or maintain momentum for local food initiatives. The province invested almost $10 million through OMIF in 197 regional and local food projects and initiatives.

Through the Broader Public Sector Fund, the Ontario government invested $4.3 million in 38 projects, which assisted farm operations and food distributors with working together to bring more local food into the food-value chain, leading to increases in Ontario food purchased at institutions across the province and new jobs within the sector.

- Food Processing

Revenue from Ontario's food, beverage and tobacco manufacturing sector totals more than $35 billion, making it the second-largest goods manufacturing sector in the province. There are about 3,000 establishments that employ approximately 95,000 people.

Our farmers depend on a robust food manufacturing base in this province. Food and beverage processors are our farmers' largest customer, purchasing almost 65 per cent of Ontario's food-related farm products.

OMAFRA's programs and services led to $490 million investment in the food processing sector in 2011-2012, creating or retaining over 7,300 jobs.

In 2011-12, the ministry continued working with the food processing sector as a priority under the Rural Economic Development program. Some recent examples of projects that are increasing business competitiveness and creating jobs in food processing, include:

  - Dr. Oetker Canada received an investment of $7 million to establish its first North American frozen pizza production plant in London. The expansion project will help the company source 24 million pounds of local produce and high-quality ingredients from Ontario farmers and create up to 430 direct and indirect jobs in the London area.

- With support from the RED program, Leadbetter Foods Incorporated implemented a project that saw the retrofit of a former automotive parts plant in Orillia into a 45,000 square-foot, federally inspected meat processing facility. The project will create 162 new full-time production positions that will support increased demand for Leadbetter's beef, pork and chicken products. The company received $1,950,500 to complete the project.

- Exports

In 2011, Ontario's total agri-food exports were $9.9 billion. This is a 5.4 percent increase over 2010.

- Growing Forward

In 2011-12, over $37.5 million was invested through Growing Forward to provide farmers and food processors with access to improved planning and best practices related to environment and climate change, food safety and traceability, biosecurity and business development.

Some results of these Growing Forward initiatives include:

- 1,859 on-farm environmental improvement projects have been completed through funding under the Canada-Ontario Farm Stewardship Program
- 590 farm businesses participated in Canada-Ontario Environmental Farm Plan (EFP) educational workshops, with 438 EFP action plans peer reviewed and deemed appropriate to move forward.
- 1,156 farm business participated in Growing Your Farm Profits workshops, with 818 client action plans reviewed and signed off
- 363 participants attended biosecurity workshops and 271 applications were received and approved for funding
- 4,000 premises were registered in the provincial agri-food premises registry

Programs were also targeted toward increasing the agri-food sector's awareness of innovation opportunities, applied research and commercialization:

- Under the Farm Innovation Program, over 140 on-farm technologies have been tested and/or demonstrated to have potential positive impact for producers of over 30 commodities
- The Agri-Technology Commercialization Centre (ATCC) has worked closely with over 80 companies and continues to meet with prospective businesses with interests in commercializing innovative new products, processes and technologies
- The Rapid Response to Business Program has supported 14 companies in pursuing new business opportunities, resulting in significant sales

- Risk Management

Since 2003, the ministry has provided more than $2 billion in farm income and stabilization programming.

In 2011, building on the momentum of the ministry's efforts in recent years to support farmers with resources and programs, the ministry developed and launched Risk Management Programs (RMP) for the hog, cattle, veal and sheep sectors; extended the existing grains and oilseeds RMP; and launched a self-directed Risk Management program for producers of edible horticulture.

The new Wildlife Damage Compensation Program was also launched in June 2011, expanding the list of affected wildlife species and livestock for which farmers can receive compensation, as well as increasing maximum compensation levels.

In 2011-2012, more than $2 million in funding was provided for more than 3,600 claims.

Strong Rural Communities

In 2011-2012, the ministry continued to deliver significant infrastructure initiatives on behalf of the Ontario government, particularly the stimulus component of the Building Canada Fund – Communities Component and the Infrastructure Stimulus Fund, to ensure that projects were completed prior to the program completion date of October 31, 2011. Under these programs, nearly 1,500 projects were completed, creating sustainable, quality infrastructure and thousands of new jobs in communities across Ontario.

The Ontario Small Waterworks Assistance Program (OSWAP) provides funding over four years so small communities can improve water conservation and efficiency in their water and wastewater systems. In 2011-2012, the Ontario government invested more than $40 million in 85 projects under the third phase of the program (OSWAP-3).

Since 2007, the ministry has committed up to $127 million to four broadband funding programs to get rural Ontario plugged into the information highway.

This includes the $170 million Eastern Ontario Wardens' Caucus regional broadband project. The province and the federal government each committed $55 million to the project.

The Rural Economic Development (RED) program helps rural communities remove barriers to economic development and growth through efforts in revitalizing communities, support for food processing and increasing opportunities for skills development. In 2011-2012, the RED program committed to funding 45 projects. This represents a program investment of $14.9 million, generating $101 million in economic activity and creating or retaining nearly 3,500 jobs.

The Ontario government also partners with rural businesses to provide summer jobs for students in rural communities throughout the province. Since 2003, the Rural Summer Jobs Service program has provided a wage subsidy to more than 10,500 employers for the placement of more than 40,000 students.

Safe Food, Healthy Animals, Healthy Environment

- Safe Food

The ministry recognizes the importance of being able to track the movement of food products from farm to fork — it makes for good business and emergency preparedness.

That is why more than $30.2 million has been invested in traceability projects and improvements. Since 2009, more than $16 million has been provided to more than 1,200 applicants to fund facility projects under the Food Safety and Traceability initiative.

In 2011, through the brand new Traceability Foundations Initiative, the governments of Canada and Ontario committed to support projects led by the agri-food industry to share information, enhance industry competitiveness and improve the speed in which Ontario responds in the event of a food product recall.

To date, 23 projects have been approved and are underway, representing a total government commitment of nearly $8 million. This new program will help make our industry stronger, protect consumers and ensure market access for our farmers and food processors.

- Healthy Animals

In collaboration with the Ministry of Natural Resources, OMAFRA has helped to implement the Endangered Species Act by providing technical support and advice on issues related to species-at-risk protection in agricultural landscapes.

OMAFRA also supported the Bobolink Round Table appointed by the Minister of Natural Resources to provide advice on long-term solutions that balance Bobolink protection with agricultural operations.

- Healthy Environment

In 2011-2012, the ministry worked with the ministries of the Environment and Natural Resources on the stewardship of Ontario's water resources by:

  - Working with the federal government to renegotiate the Great Lakes Water Quality Agreement (GLWQA) with the United States and preparing for negotiations on a new Canada-Ontario Agreement Respecting the Great Lakes Ecosystem (COA)
  - Working to develop a Great Lakes Action Plan to establish a provincial Great Lakes vision, including short- and long-term actions to conserve and restore the Great Lakes
  - Continuing to support the Lake Simcoe Protection Plan through several initiatives, including securing additional funding from Environment Canada to support farmers in the watershed who are participating in the Canada-Ontario Farm Stewardship Program
  - Working with other ministries to implement the requirements of the Clean Water Act as it pertains to source water protection and agricultural operations

Working with the Ministry of the Environment, OMAFRA continued to help implement Ontario's Water Strategy, a multi-ministry effort to encourage the creation and export of innovative clean water technologies, promote water conservation, attract economic development and create jobs.

In 2011-2012, the ministry worked to deliver on actions identified in Climate Ready: Ontario's Adaptation Strategy and Action Plan, including:

- Working with other levels of government to strengthen animal disease surveillance and response activities
- Working with academia and other government partners to evaluate new field and horticultural crops for resistance to pests and diseases
- Supporting monitoring and surveillance activities for plant diseases and pests
- Working to update the Environmental Farm Plan workbook to incorporate climate change considerations and related best management practices
- Participating in the Ontario Public Service Climate Modelling Collaborative

Biosecurity

It is important for producers and farmers to adopt effective biosecurity measures to reduce the breakout of diseases.

Over the last year the ministry has partnered with industry, the federal government and other provinces to raise awareness of biosecurity issues, as well as develop and implement a set of national standards and best practices for major commodities.

High Performance Ministry

In 2011, the ministry worked on several initiatives that have helped us deliver on our priorities and develop as a high-performance ministry.

In May 2011, the Ontario's and Quebec's agriculture ministers, as part of the Quebec-Ontario Trade and Cooperation Agreement, committed to working with the dairy industry on areas of common interest, and confirmed the ongoing importance of supporting Canada's supply management systems in international trade agreements.

In 2011-2012, the ministry continued to use our diversity strategy; *Rooted in Diversity: A Place for Everyone* to identify opportunities to integrate diversity and inclusion into the ministry's human resources and business practices.

OMAFRA has also continued to deliver on its commitments outlined in its 2010 green plan, which aligned with the OPS Green Transformation Strategy. In 2011-12, the ministry, led by the cross-ministry "green team" has met several of its targets for the year and continues to be one of the leading green OPS ministries. Accomplishments include reducing fuel consumption and greening the ministry's fleet vehicles, as well as continuing to move forward with green business practices.

As part of its Open-for-Business commitments, the ministry has successfully met and exceeded its regulatory burden reduction target. Examples of how the ministry has worked to reduce regulatory burden in the agri-food industry include:

- Replacing existing legislation and introducing a new Ontario Wildlife Damage Compensation program for livestock farmers
- Streamlining the application process and review of permits for water and municipal drainage projects
- Developing a working paper in co-operation with the Ontario Federation of Agriculture, which outlines and responds to the sector's priorities for regulatory reform

Innovation

Research and innovation is important for everyone. It produces safer, higher quality food; protects our environment; produces bio-products and renewable fuels; achieves growth and profitability and builds stronger rural communities.

The ministry continues to focus its efforts on agri-food research and innovation, fostering partnerships with a wide variety of research institutions and industry stakeholders across the value chain.

This includes support for commercialization and innovation through ongoing funding of the Agri-Technology Commercialization Centre (ATCC), the Vineland Research and Innovation Centre (VRIC), the Farm Innovation Program, and the development of intellectual property, including patents and licenses, through the OMAFRA and University of Guelph partnership.

OMAFRA effectively administers research and innovation programming through the OMAFRA and University of Guelph Partnership, which are fully aligned with government and stakeholder priorities. Projects funded under seven diverse areas provide new technologies and solutions to challenges facing the agri-food sector and rural communities.

The ministry has worked with the Agricultural Research Institute of Ontario (ARIO) to develop an agri-food research infrastructure Reinvestment Strategy that includes establishing up to five industry-driven research centres. Work is already underway to develop a horticultural-focused centre at the Vineland Research and Innovation Centre, as well as a new livestock research centre at the Elora Research Station.

Innovation Forums are opportunities for decision makers from industry, academia and government to discuss specific challenges or opportunities in a sector. Four Innovation Forums have taken place to date, which have focused on Water for Food Processors; Food Innovation; Biogas and the Bioeconomy.

Ministry Interim Actual Expenditures 2011-12

	Ministry Interim Actual Expenditures ($M) 2011-12
Operating	$621.1068
Capital	$547.8555
Staff Strength (as of March 31, 2012)	891.77

* Interim actuals reflect the numbers presented in the 2012 Ontario Budget.